UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re	:	
	:	Chapter 7
BROOKLYN EVENTS LLC,	:	
d/b/a Verboten,	:	Case No. 1-16-41371-cec
Debtor.	:	

STIPULATION AND ORDER ALLOWING MICHAEL ROCHE A CHAPTER 11 ADMINISTRATIVE EXPENSE AND AUTHORIZING CHAPTER 7 TRUSTEE TO PAY SAME FOR SERVICES PROVIDED AND EXPENSES INCURRED BY MICHAEL ROCHE ON BEHALF OF DEBTOR

This *Stipulation and Order* dated as of November 22, 2016 (the "**Stipulation**") is made by and between Alan Nisselson ("**Trustee**"), as trustee for the chapter 7 estate (the "**Estate**") of Brooklyn Events, Inc. (the "**Debtor**"), and Michael Roche ("**Michael**", each of the Trustee and Michael, a "**Party**", and together, the "**Parties**").

Recitals

A. On March 31, 2016 (the "**Petition Date**"), the Debtor filed a voluntary petition for relief under chapter 11 of title 11, United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Eastern District of New York (the "**Bankruptcy Court**").

B. By order dated July 27, 2016, the Debtor was authorized to assume and assign its commercial real property lease and sell certain personal property to 54N11BK, LLC (the "**Purchaser**"), excluding certain assets such as liquor inventory (the "**Liquor**"), which had been delivered by Southern Wine & Spirits of America ("**Southern Wine**") to the Debtor, shortly prior to and after the Petition Date, which gave rise to administrative claims that could have been asserted by Southern Wine.

C. Under New York law, a non-operating retailer such as the Debtor may not sell liquor to any party when the Debtor has any outstanding unpaid balance to its liquor suppliers, provided, however, that the Debtor may obtain a liquidator's permit (the "**Liquidator's Permit**") from the New York State Liquor Authority for the purpose of transferring its liquor back to the supplier in exchange for a credit on the amount due the supplier.

D. Southern Wine, one of the Debtor's liquor suppliers, filed a proof of claim no. 14 asserting a claim in the amount of $13,386.57 (the "**Proof of Claim**") for unpaid Liquor delivered on March 31, 2016 and April 1, 2016.

E. Michael maintained a weekly salary of $1,500 prior to the sale of the Debtor's assets in connection with his role as Director of Production.

F. After the closing of the sale and in the exercise of the Debtor's business judgment, in exchange for a $500 consulting fee, plus reasonable expenses, for the period from September 1, 2016 through the conversion of the case (the "**Post-Closing Period**"), the Debtor requested that Michael assist the Debtor in certain post-closing tasks, including, (i) obtaining a Liquidator's Permit to transfer the Liquor to Southern Wine in exchange for a waiver of Southern Wine's administrative claim and possibly a refund to the Debtor, (ii) preservation of certain hard copies of books and records, (iii) the provision of documents and information relevant to the Debtor's responses to claims asserted by certain former employees, and (iv) any other reasonable request for information that Michael could provide to assist the Debtor in the administration of the Chapter 11 case.

G. The Debtor and Debtor's counsel have advised the Trustee that Michael actually and admirably performed all of such duties and expended his own funds during the Post-Closing Period, to successfully transfer the Liquor to Southern Wine, thereby resulting in the waiver of the Proof of Claim that could otherwise have been asserted as a Chapter 11 administrative claim in the Debtor's case and a refund of $10,863.41, thereby providing to the Estate an actual and necessary benefit.

H. In addition, the Debtor and Debtor's counsel advised the Trustee that Michael's financial condition requires immediate reimbursement of the expenses he advanced on behalf of the Estate and payment of his fee.

I. Attached as **Exhibit "A"** is a copy of Michael's invoice for services and expenses, and copies of the receipts reflecting expenses for which he seeks reimbursement..

J. On October 4, 2016, the Debtor's Chapter 11 case was converted to a case under Chapter 7 of the Bankruptcy Code, and on October 6, 2016, the Trustee was appointed in the Debtor's bankruptcy case.

NOW, upon these Recitals, the Parties agree to the following:

1. Michael shall hold an allowed Chapter 11 administrative expense totaling $1,016.91 (the "**Chapter 11 Claim**") related to Michael's services during the Post-Closing Period.

2. The Trustee shall pay Michael the Chapter 11 Claim after entry of an order approving this Stipulation has become final and non-appealable, provided however, that to the extent that there are insufficient funds remaining in the estate to pay all Chapter 11 administrative expenses in full, Michael shall disgorge such portion of the Chapter 11 Claim as necessary to ensure the pro rata treatment of all Chapter 11 administrative expenses.

3. Other than with respect to the allowance and payment of the Chapter 11 Claim provided for herein, nothing in this Stipulation shall constitute or be deemed a waiver or release of any claim, right or action of the Trustee or the Estate against Michael whatsoever, including

under chapter 5 of the Bankruptcy Code, all of which claims, rights and actions are expressly preserved.

4. This Stipulation contains the entire agreement between the Parties and supersedes all prior agreements and undertakings between the Parties relating thereto.

5. This Stipulation can only be amended or otherwise modified by a signed writing executed by the Parties.

6. Each Party who executes this Stipulation represents that he or she is duly authorized to execute this Stipulation on behalf of the respective Parties, and that each such Party has full knowledge of, and has consented to the terms of this Stipulation.

7. Should any provisions of this Stipulation be declared or be determined by any court to be illegal or invalid, the validity of the remaining parts, terms or provisions, including the release of all claims, shall not be affected thereby and said illegal or invalid parts, term or provision shall be modified by the Bankruptcy Court so as to be legal or, if not reasonably feasible, shall be deleted.

8. The Parties and their undersigned professionals acknowledge and agree that:

(a) the Parties have been advised by counsel, or have had a full and fair opportunity to obtain the advice of counsel but voluntarily declined to do so, in the negotiation, execution and delivery of this Stipulation and any ancillary document executed in connection herewith;

(b) they are duly authorized and empowered (subject to entry of a Bankruptcy Court order approving it) to enter into, execute, deliver and perform this Stipulation and any ancillary document executed in connection herewith;

(c) they have voluntarily, with full knowledge and without fraud, coercion, duress or undue influence of any kind, entered into this Stipulation;

(d) neither this Stipulation nor any ancillary document executed in connection herewith imposes any undue hardship on them;

(e) they have received actual and adequate consideration to enter into this Stipulation and any ancillary document executed in connection herewith; and

(f) this Stipulation does not create any fiduciary relationship with or duty between the Parties arising out of or in connection with this Stipulation or any matter concerning the subject hereof and any ancillary document executed in connection herewith.

9. The Parties further acknowledge and agree that this Stipulation is the result of negotiations between the Parties and that no Party shall be considered the drafter for the purposes of any statute, case law or rule of interpretation that would or might cause any provision to be construed against the drafter.

10. Each Party agrees that (i) the Bankruptcy Court shall retain exclusive personal and subject matter jurisdiction to enforce the terms of this Stipulation and to decide any claims or disputes that may arise or result from, or be connected with, this Stipulation, or any breach or default hereunder; (ii) any and all proceedings related to the foregoing shall be filed and maintained only in the Bankruptcy Court, and the parties hereby consent to and submit to the jurisdiction and venue of the Bankruptcy Court to enforce this Stipulation; *provided*, *however*, that if the Debtor's bankruptcy case has been closed and cannot be reopened for any reason, the parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the United States District Court for the Eastern District of New York sitting in New York County or the Commercial Division, Civil Branch of the Supreme Court of the State of New York sitting in

Kings County and any appellate court from any thereof, for the resolution of any such claim or dispute; and (iii) the Bankruptcy Court may enter judgments and final orders concerning any matter arising from or related to the making, interpretation, and enforcement of this Stipulation or any issues arising hereunder. This Agreement shall be construed in accordance with and governed by the laws of the State of New York (excluding the laws applicable to conflicts or choice of law).

11. This Stipulation may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument, and it shall constitute sufficient proof of this Stipulation to present any copy, copies or facsimiles signed by the Parties hereto to be charged.

12. This Stipulation and the terms and conditions contained herein, are subject to the approval of the Bankruptcy Court. In the event the Bankruptcy Court does not "so order" this Stipulation, neither this Stipulation, nor any statement made, action or position taken, or document prepared or executed in connection with the negotiation, execution or implementation of this Stipulation shall be deemed to be, or construed as an admission by any Party that any claim or defense has or lacks merit, and the Stipulation shall have no force and effect and nothing herein shall prejudice or impair any of the rights or remedies available to the Parties.

MICHAEL ROCHE

*/s/ Michael Roche*_______________
(646) 243-1457
Email: michael@verbotennewyork.com

WINDELS MARX LANE & MITTENDORF, LLP
Counsel to Alan Nisselson, Chapter 7 Trustee

By: */s/ Leslie S. Barr*_______________
Leslie S. Barr
156 West 56th Street
New York, New York 10016
(212) 237-1000
Email: lbarr@windelsmarx.com

Dated: Brooklyn, New York
December 28, 2016

Carla E. Craig

Carla E. Craig
United States Bankruptcy Judge